
How to Read the Budget

The FY 2003 Proposed Budget and Financial Plan serves as a communication tool on policy priorities, agency operations, program/organizational structures, and performance measures.

In addition, the budget book is a financial plan that provides information concerning sources of revenue and the use of these funds. It forecasts economic and financial conditions, current and planned long-term debt financing, reflects policy decisions, and provides other important financial information needed to operate the District's government. These elements are essential for the sound management of government resources and accurate financial reporting.

"How to Read the Budget" describes the sections of this budget volume that define the budget priorities for the District. These sections are consistent with the National Advisory Council on State and Local Budgeting Recommended Budget Practices that call for a presentation of information that provides the reader with a guide to government programs and organizational structure. Additionally, these sections are consistent with the Government Finance Officers Association's (GFOA) standards for the Distinguished Budget Presentation Award.

The budget is organized into three sections:

Special Chapters – This section contains several narrative chapters that provide general budget and financial information, including financial plans, revenues, expenditures and other budget related initiatives of the District that serve to inform the reader, at a high level, on the state of the District's finances.

Agency Chapters – This section describes the budget for each of the District's agencies by appropriation title.

Appendices – This section includes referenced documents such as the Budget Support Act, that are needed to explain and execute the FY2003 Budget.

Special Chapters

Introduction: FY 2003 Proposed Budget and Financial Plan

This chapter presents a descriptive and graphical summary of the budget and financial plan. It describes the FY 2003 budget development process and the sources and uses of the funds; discusses the beginning and ending fund balance, and provides an overview of key priorities for FY 2003.

Performance-Based Budgeting (PBB)

This chapter describes the District's transition to a budgeting approach that aligns resources with results. In the FY 2003 proposed budget, seven agency budgets were formulated and presented using PBB techniques. Implementing PBB will greatly improve the District's ability to make policy and funding decisions based on anticipated results and improve the District's ability to hold program managers accountable for achieving results.

Financial Plan

This chapter summarizes planned revenues and expenditures for FY 2003-2006. The chapter includes financing sources and uses and the assumptions used to derive the short-term and long-term economic outlook. It assesses the impact of budgetary decisions on the financial health of the District.

Revenue

This chapter presents the current revenue projections certified by the Chief Financial Officer. This chapter also addresses the District's revenue sources,

its economy, and the outlook for revenue through FY 2006.

Operating Expenditures

This chapter describes the District's general fund expenditures in recent years and projections for the future. It shows the changes between FY 1997 and FY 1998 brought about by the Revitalization Act, which altered the Federal-District relationship in several program areas, such as the judicial system, and then analyzes expenditures between FY 1998 and FY 2001, both by agency and by type of services paid for personnel, supplies, or fixed costs. Finally, it discusses expenditure projections in FY 2004 through FY 2006, as presented in the financial plan.

Capital Improvements Plan (CIP)

This chapter is a comprehensive, annually updated, six-year plan for the development, modernization or replacement of city owned fixed assets. The CIP provides readers with project descriptions and their scope. It also describes the programmatic goals of various District agencies and how these goals impact the need for new, rehabilitated or modernized facilities and systems. Finally, it details the financial impact and requirements of all the District's capital expenditures.

Agency Budget Chapters

The agency budget chapter structure has been revised from the previous year. Although it still provides a general operating budget, capital budget, and programmatic and performance measure information on the specific programs within District agencies, the format of these chapters has been enhanced to improve readability and to explicitly illustrate the resources available, what the resources are spent on, and what is achieved with these resources.

Agency budget chapters are grouped by appropriation title and contain the following information:

- Agency Name and Code
- FY 2003 Proposed Operating and Capital Budget Table
- Introduction
- Agency Mission
- Strategic Result Goals
- Did You Know Table
- Where the Money Comes From
- How the Money is Allocated
- Program/Organization Chart
- Programs
- Program Description
- Program Initiatives
- Funding Box (PBB agencies only)
- Key Result Measures (PBB agencies only)
- Capital Improvement Plan
- Capital Improvement Plan Funding Table
- Performance Accountability Plan (non-PBB agencies only)

For PBB agencies, the agency mission, strategic result goals, and key result measures are taken from the agency's strategic business plan. See the PBB special chapter in this budget for additional information.

Some of the major structural changes of the narratives from the previous year include:

- A new introductory section (presented on the first page of each narrative). This section includes a chart depicting operating and capital funding (if applicable), the agency's mission statement and strategic goals.
- A "Did You Know..." chart that presents interesting facts and information about the agency. While not integral to understanding an agency's FY 2003 budget, it presents useful information that provides greater context for understanding an agency and its budget.
- A "Where the Money Comes From" chart. This is a revenue table that shows the sources of funding (i.e., federal, local, private, and other funds).
- A "How the Money is Allocated" section. This section includes an expenditure table by object class (or the reporting level) and a funding narrative that describes overall budget and full-time equivalent (FTE) variances from the prior year and other significant changes at the object class level.
- An expanded program section. This section includes a chart illustrating the organizational structure of the agency, program descriptions, program initiatives, and for PBB agencies, a funding summary including FTEs supported by the program.

To help the reader navigate the agency narratives with ease, an example of an agency narrative with call out boxes, in this case the Department

Agency Code
Three digit alphanumeric
code for the agency

(KT0)

Department of Public Works

Agency Name

Description	FY 2002 Approved	FY 2003 Proposed	% Change
Operating Budget	\$0*	\$100,988,215	100.0
Capital Budget	\$0*	\$2,220,000	0.0
FY 2003-08 Proposed Capital Improvement Plan	\$0*	\$25,028,000	0.0

* The FY 2002 approved budget for the Department of Public Works is included in the District Department of Transportation.

02-03 Budget Summary Table
This table shows the agency's FY 2002 approved budget, the FY 2003 proposed budget and the variance from FY 2002 to FY 2003.

The mission of the Department of Public Works is to provide sanitation, parking enforcement, fleet maintenance, and energy related services to District residents, visitors, and businesses to ensure safe, clean and aesthetic neighborhoods and public spaces.

Agency Mission
This section describes the agency's mission and overall purpose.

The agency plans to fulfill its mission by achieving the following strategic result goals:
Ensure the cleanliness of the District's gateway corridors, high-visibility commercial areas, residential neighborhoods and industrial zones.

- By FY 2003, 85 percent of District's gateways, commercial and residential areas will be rated clean or moderately clean on the

Office of the Clean City Coordinator's Environmental rating scale.

Scheduled services will be delivered in a timely and reliable manner.

- By FY 2003, 100 percent of DPW core services will have published schedules or service delivery expectations.
- By FY 2004, 95 percent of DPW services will be delivered within established time frames.

DPW will establish training and incentive programs to attract and retain a highly skilled workforce to improve performance and accountability.

- By FY 2004, 95 percent of core service delivery positions will be filled.
- By FY 2004, 95 percent of DPW staff will have attended at least one training program during the fiscal year.

By FY 2004, DPW will increase its regular personnel by 10 percent each year.

DPW will develop integrated information systems to support business operations.

- By FY 2003, 95 percent of DPW services will have long-range information systems plans.

FY 2003 Strategic Result Goals
The goals of the agency describes what the agency plans to do to fulfill its mission within a timeframe of two to three years.

Did you know...	
Percent of signed sweeping routes cleaned on schedule in FY 2001	85.1
Percent of bulk pickup requests collected within 10 days of customer request in FY 2001	52
Percent of mission critical fleet (packers, sweepers, dump trucks, etc.) available for daily operation in FY 2001	93.5
Percent of vehicles on a preventive maintenance schedule in FY 2001	68
Percent of abandoned and junk vehicles in public space removed on schedule in FY 2001	63.1

Did you know table
This table presents interesting facts about the agency.

Department of Public Works
F-1

Mission critical equipment will be available for core services.

Where the Money Comes From Table

This presents the agency's total operating budget from each funding source (i.e., from local revenue, federal and private grants, other revenue and intra-District sources). A comparison of the FY 2000 Actual, FY 2001 Actual, FY 2002 Approved and the FY 2003 Proposed budget is presented.

- By FY2004, 100 percent of core service delivery worksites will have been improved within the past three years.

DPW programs will contribute to the citywide environmental agenda.

- By FY2003, 100 percent of DPW facilities will participate in the government building recycling program.
- The District of Columbia Comprehensive Energy Plan will be completed in FY2002.

Where the Money Comes From

Table KTO-1 shows the sources of funding for the Department of Public Works.

Table KTO-1
FY 2003 Proposed Operating Budget, by Revenue Type
(dollars in thousands)

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change From FY 2002
Local	0	0	0	81,835	81,835
Other	0	0	0	2,242	2,242
Intra-District	0	0	0	16,248	16,248
Gross Funds	0	0	0	100,325	100,325

Funding Summary

Based on the separation from the District Department of Transportation (DDOT) the numbers depicted in the text below were derived from the FY 2002 aggregate funding level for the Department of Public Works' approved budget and been isolated strictly for historical and comparative purposes. IMPORTANT NOTE: The FY 2002 funding level is currently reflected in the Department of Transportation. As a result of the separation, DDOT will continue to use the same agency code (KAO). A new agency code (KTO) has been established for DPW.

Local Funds

The proposed Local budget is \$82,498,211, an increase of \$7,639,278, or 10.2 percent, over the FY 2002 approved budget of \$74,858,933. Of this increase \$2,825,274 is for personal services and \$4,814,004 is for nonpersonal services.

There are 1,067.2 FTEs funded by Local sources, a decrease of 180.5 FTEs from FY 2002. This decrease is associated with the separation of 129.5 FTEs that are attached to the District Department of Transportation.

Local Fund

This describes the local dollars or general fund dollars associated with the agency and the FTEs supported by the fund. Local dollars consist of both tax and nontax revenues that are not earmarked for particular purposes and are allocated to fund district programs.

Council funded the positions at 70 percent in FY 2002. This increase provides for the increase in the number of positions.

Federal Fund (not shown)

This identifies funding (usually in the form of grants) provided by the Federal government to support federally mandated programs, such as Medicaid. These funds are earmarked for a particular purpose or program and cannot be reallocated to other programs.

How the Money is Allocated Table

This part of the narrative presents the agency's expenditures and full-time equivalent (FTE) positions for two prior years, the current year, and upcoming fiscal year at the Comptroller Source Group (Object Class) level.

How the Money is Allocated

Tables KT0-2 and KT0-3 show the FY 2003 proposed budget and FTEs for the agency at the Comptroller Source Group level (Object Class level).

Table KT0-2

FY 2003 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change from FY 2002
Regular Pay - Cont Full Time	0	0	0	35,827	35,827
Regular Pay - Other	0	0	0	8,556	8,556
Additional Gross Pay	0	0	0	1,111	1,111
Fringe Benefits - Curr Personnel	0	0	0	7254	7254
<i>Personal Services</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>52,748</i>	<i>52,748</i>
Supplies and Materials	0	0	0	3,701	3,701
Energy, Comm., and Bldg Rentals	0	0	0	7267	7267
Rentals - Land and Structures	0	0	0	1,749	1,749
Janitorial Services	0	0	0	292	292
Security Services	0	0	0	2,409	2,409
Other Services and Charges	0	0	0	15,151	15,151
Contractual Services - Other	0	0	0	8,320	8,320
Equipment & Equipment Rental	0	0	0	3,890	3,890
Debt Service	0	0	0	5,471	5,471
<i>Nonpersonal Services</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>48,241</i>	<i>48,241</i>
Total Proposed Operating Budget	0	0	0	100,968	100,968

Table KT0-3

FY 2003 Full-Time Equivalent Employment Levels

	Actual FY 2000	Actual FY 2001	Approved FY 2002	Proposed FY 2003	Change from FY 2002
Continuing full time	0	0	0	839.75	839.75
Term full time	0	0	0	400.45	400.45
Total FTEs	0	0	0	1,240.2	1,240.2

Programs

This presents a summary of the programs and services that the agency provides. A description of the various divisions and their funding levels within the agency is also included in this section. This section also discusses the major initiatives associated with the program.

Programs

The Department of Public Works is committed to the following programs:

Sanitation Services

This program manages the collection and disposition of solid waste (trash and recyclables) from more than 110,000 District residences; enforces compliance with District and federal trash disposal laws; and clears approximately 1,100 miles of streets and 400 miles of alleys in the District.

Key initiatives associated with the Sanitation Services program are:

- Reengineering the residential recycling program to increase the diversion rate.

Modernizing Sanitation
Integrating routing software
Information Systems

Feasibility of alternative fuel

Proposed funding for
\$39,840,621, or 39.5
proposed budget and

600 FTEs.

	FY 2002	FY 2003
Budget Amount	N/A*	\$39,840,621
FTEs	N/A*	600

* Data is not available for prior years, since the agency has created a new program structure based on Performance Based Budgeting.

Key Result Measures

This program primarily supports the Citywide Strategic Priority Area of Making Government Work.

Program Manager: Tom Henderson, Solid Waste Administrator

Program Manager Supervisor: Leslie Hotelling, DPW Agency Director

Percent of D.C. gateways, commercial and residential "moderately clean"

	FY 2002	FY 2003
	95	95

Key Results Measure Box

This illuminates the overall success of a program. (For PBB agencies only).

Percent of on-time trash collection during scheduled hours

	FY 2003	FY 2004
Target	94	95

Percent of bulk pickups collected within 10 days of customer's request

	FY 2003	FY 2004
Target	97	98

Percent of waste transferred within the same business day

	FY 2003	FY 2004
Target	95	95

Percent of sanitation enforcement requests investigated within 5 business days

	FY 2003	FY 2004
Target	90	90

Parking Services

This program provides enforcement services to District residents, businesses, and visitors for the purpose of encouraging voluntary compliance with parking regulations and ensuring safe and normal traffic flow. To achieve these objectives, the program enforces on-street parking regulations in the District, impounds vehicles that are illegally parked and create a safety hazard or obstruct necessary access, and removes and disposes of abandoned and junk vehicles.

Key initiatives associated with the Parking Services program are:

- Shortening the cycle time for the disposal of abandoned and junk vehicles through legislative and business process modifications.
- Hiring the full contingent of parking officers and deploying them by neighborhood to tailor enforcement services to community needs.

For FY 2003, proposed funding for Parking Services totals \$21,157,974, or 21 percent of the FY 2003 proposed budget and 390 FTEs.

	FY 2002	FY 2003
Budget Amount	N/A*	\$21,157,974
FTEs	N/A*	390

* Data is not available for prior years, since the agency has created a new program structure based on Performance Based Budgeting.

Department of Public Works

R-5

Capital Improvements Plan (Narrative)

This presents a summary of the projects that are proposed to receive funding in FY 2003 through FY 2008. Projects proposed for FY 2003 are described in this section as well as the funding schedule of the projects through FY 2008. Existing projects that are proposed to receive additional funding are described in prior volumes of the Capital Improvement Plan.

rate as com-

FY 2004

5

Percent of training session participants reporting they learned new skills they can use on the job

FY 2003 FY 2004

Target 70 75

Percent reduction of employee lost workday injury cases DPW-wide as compared with FY 2002 baseline data

FY 2003 FY 2004

Target 10 10

Percent of facility improvement projects in DPW completed on time and on budget

FY 2003 FY 2004

Target 75 75

Performance Accountability Plan

The performance accountability plan articulates the goals of each agency and includes performance measures to demonstrate progress against these goals. (Non-PBB agencies only).

Capital Improvements Plan

As part of the District-wide savings initiative for FY 2003 (refer to Chapter 4) this agency's existing capital budget was cut by \$5,615,000.

The FY 2003 proposed capital budget for the Department of Public Works is \$2,200,000. This budget includes the Local Facilities funded from (General Obligation or GO Bond Financing)

The FY 2003 on-going Local Facilities budget funds Facilities Renovation for the Fenwick Building. This project will include renovation and upgrading of building components as necessary to extend their useful life and modifications associated with these improvements.

Capital Improvements Plan (Table)

This is the proposed expenditure schedule of the new and existing projects for FY 2003 through FY 2008 by cost element.

Table K10-3

Capital Improvement Plan, FY 2001-FY 2008

(dollars in thousands)

Department of Public Works

Cost Elements	Through FY 2001	Budgeted FY 2002	Year 1 Total	RUNNING SCHEDULE							Budget	Total Budget
				Year 2 FY 2003	Year 3 FY 2004	Year 4 FY 2005	Year 5 FY 2006	Year 6 FY 2007	6 Years FY 2008			
a Long Term Financing	10,192	14,955	25,147	2,220	0	0	0	0	0	2,220	27,367	
b Local Street Fund	0	0	0	0	0	0	0	0	0	0	0	
c Grants	0	0	0	0	0	0	0	0	0	0	0	
d Pay Go	0	0	0	0	0	0	0	0	0	0	0	
e Hwy Trust Fund	0	0	0	0	0	0	0	0	0	0	0	
f Equipment Lease	0	0	0	0	0	0	0	0	0	0	0	
g Alternative Financing	38,599	7,850	46,449	0	0	0	0	0	0	0	46,449	
h Other	0	0	0	0	0	0	0	0	0	0	0	
Total:	48,791	22,805	71,596	2,220	0	0	0	0	0	2,220	73,816	
EXPENDITURE SCHEDULE												
a Design	2,848	1,542	4,390	777	0	0	0	0	0	777	5,167	
b Site	0	8,500	8,500	0	0	0	0	0	0	0	8,500	
c Project Management	2,309	2,228	4,532	1,384	710	710	0	0	0	2,754	7,286	
d Construction	15,847	28,487	44,334	8,962	6,950	0	0	0	0	15,912	60,246	
e Equipment	38,599	7,850	46,449	760	0	0	0	0	0	760	47,209	
Total:	59,603	46,607	106,205	11,883	7,660	710	0	0	0	20,203	128,409	

FY2008 Proposed Budget and Financial Plan

F-10